

Week Ending Friday, February 23, 2001

**The President's News Conference
With President Vicente Fox in San
Cristobal, Mexico**
February 16, 2001

President Fox. Good afternoon. Good afternoon, Mr. President. This morning I have held very productive and cordial talks with the President of the United States, Mr. George W. Bush. We have agreed on a set of principles and values to provide our relationship as neighbors with more constructive dynamics of more intense cooperation, in order to unfold all the potential of our bilateral relations.

The fact that the President—George Bush's first foreign visit has our country as its destination is a clear message of the interest his administration places on strengthening links with Mexico. At the same time, it is quite a distinction.

This starting point is very encouraging, so that both Mexicans and Americans, together, to inaugurate an era of shared prosperity together. I also acknowledge President Bush's demonstration of friendship by coming to Guanajuato, the cradle of Mexico's independence. And I am particularly grateful for his greeting my mother, Dona Mercedes, as well as for his visit to my house—his house—here in San Cristobal.

Let me tell you, Mr. President, that you will always be welcome in this, your home—or, in your language, President, you know that we consider you a friend of Mexico, a friend of Mexican people, and a friend of mine.

The agreements we have reached today are embodied in the document that we have, and we ratified our commitment to values of democracy and the promotion of human rights, as well as the aim of the fruits of development reach all sectors of our society.

The global and hemispheric agenda, also an important part of our talks, as is fitting in a mature dialog between two prominent

members of the international community. We have identified a renewed will for cooperation to design, together with our Canadian partners, a region guided by the search for shared prosperity.

We, the Presidents of Mexico and the United States, have the favorable circumstance of beginning our respective mandates simultaneously. This enables us to project our common objectives with a long-term vision and to undertake negotiations in areas that require a decisive and systematic impetus from the two governments.

Mr. President Bush, the spirit in which we have conducted this first working meeting marks the beginning of a novel stage in our bilateral relations. I am certain that we will be able to take advantage of the historic opportunity we have today to set out on the way to a century of shared prosperity. We will face this challenge on the basis of mutual trust, with a fresh and creative vision to advance in the topics of our bilateral agenda.

Once again, welcome, and this is your home.

President Bush. *Muchas gracias, amigo, el Presidente de Mexico. Su recepcion tan calida refleja el grande amistad entre nuestros pueblos. Me hace sentir que estoy entre familia.* Thank you very much.

It's a great honor to come to Mexico as this important nation enjoys a new birth of freedom, signaled by President Fox's election. Our meetings today have been a really good opportunity to renew our personal friendship and the friendship between Mexico and the United States.

Mexico is the first foreign country I have visited as President, and I intended it to be that way. Our nations are bound together by ties of history, family, values, commerce, and culture. Today, these ties give us an unprecedented opportunity. We have a chance to build a partnership that will improve the lives of citizens in both countries.

I came here today to seek President Fox's views on how we can go about building on our partnership. We enjoyed a warm and substantive and frank dialog on the many issues that shape the relationship between America and Mexico.

We talked about strengthening our trade relationship, which offers hope and opportunity on both sides of our border. We talked about how our two nations can work together to meet our current and future energy needs. We exchanged ideas about safe and orderly migration, a policy that respects individuals on both sides of the border. We talked about expanding educational opportunities. We talked about what we can do together to fight drug trafficking and other types of organized crime.

We also talked about what we can do together to extend the benefits of freedom and prosperity throughout the entire hemisphere. I told President Fox that building a hemisphere of freedom will be a fundamental commitment of my administration. We both look forward to discussing these ideas with other hemispheric leaders in Quebec in April at the Summit of the Americas.

We are welcoming a new day in the relationship between America and Mexico. Each nation has a new President and a new perspective. Geography has made us neighbors. Cooperation and respect will make us partners. And the promise of the partnership was renewed and reinvigorated today.

Thank you very much.

President Fox. If I understood correctly, we're going to take questions in Spanish for the Mexican press, and some questions in English for the American press. So we'll go first to the women first, and here we'll take the Spanish question first.

Immigration Policy/Situation in Iraq

Q. I have two questions, one for the President of Mexico. We've spoken about new agreements and a new path on migration issues. What has been the advancements on the two topics as you—your campaign to open the border for the free transit of people and to have the free trade agreement in the same way that the European community has done it?

You talked to President Bush about the amnesty, about the illegal aliens in the United States. I have a question for President Bush. What is the message that you want to send right now? What does the United States want to send to the world as a message with the new bombing of Iraq? And above all, why, Mr. Bush, at this point, when you are establishing a dialog with the President of Mexico—why? Is this a beginning of a new war?

President Fox. Actually, we discussed amply the migration issues that we have. But this is not the meeting in which decisions or details are going to be reached, because they do not belong in the power of—the executive power, as such, because they have to have the participation of other groups.

We have spoken on migration from the viewpoint of our countrymen that are in the United States, and we have spoken about the possibilities of working on agreements of temporary legal work and employment. We have spoken on the firm idea that we have of fighting violence against immigrants and to work based on the law and to see how the "coyotes" and all the people that will be taking these people—or the *polleros* taking our illegal workers into U.S. territory.

We have spoken of a long-term vision and approach and constructive approach on this topic. And perhaps here, the most important thing will be presented by President Bush later on. But certainly there is a new attitude; there is a new way of approaching things, much more positive approach to things on this issue of migration.

The conclusion has been to create a commission at the highest level, as it was read in the Guanajuato Proposal, to begin and to discuss and to advance on this topic on very concrete steps. I believe this is a great advancement on what we had before.

President Bush. In answer to part B of your question, the United States is engaged in the Middle East and Persian Gulf. We will remain so. Since 1991, our country has been enforcing what's called a no-fly zone. A routine mission was conducted to enforce the no-fly zone, and it is a mission about which

I was informed and I authorized. But I repeat, it is a routine mission, and we will continue to enforce the no-fly zone until the world is told otherwise.

Mr. Fournier [Ron Fournier, Associated Press].

Q. Sir, as you say, this is the first military action you've taken as President of the United States. I'm wondering whether it signals a hardening of the U.S. position towards Iraq. And specifically, is it your goal to drive Saddam Hussein from power? And secondly, are you putting Saddam on notice today that American military action will be more frequent or more forceful than it was before you became President?

President Bush. Mr. Fournier, Saddam Hussein has got to understand that we expect him to conform to the agreement that he signed after Desert Storm. We will enforce the no-fly zone, both south and north. Our intention is to make sure that the world is as peaceful as possible. And we're going to watch very carefully as to whether or not he develops weapons of mass destruction, and if we catch him doing so, we'll take the appropriate action.

President Fox/Drug Certification

Q. Mr. President, President Bush, welcome to Mexico. We will be waiting for you in Cancun. The question is on globalization; the question, support to Mexico. And another question, certification in Mexico, will it continue? Will it disappear forever? Would you trust our friend, Fox?

President Bush. The question is on drug certification and really about our relations with President Fox. I trust your President. He's the kind of man you can look in the eye and know he's shooting straight with you. I appreciate the fact that he was a one-time Governor. I've got kind of partiality to Governors.

We need to work together on the drug issue. One of the reasons why drugs are shipped—the main reason why drugs are shipped through Mexico to the United States is because United States citizens use drugs. And our Nation must do a better job of educating our citizenry about the dangers and evils of drug use.

Secondly, I believe there is a movement in the country to review all the certification process. I'm certainly going to take the message back to the Members of Congress that I firmly believe that President Fox will do everything in his power to root out the drug lords and to halt drug trafficking as best as he possibly can.

As you know, he made some very bold and courageous statements about extradition. He showed unique leadership on that issue. It certainly caught my attention. And I believe when the American people and the Members of Congress hear this bold action that he's willing to take, they will understand what I know, that he is committed to battling the drug trade.

Jim—Steve, [Steve Holland, Reuters] sorry. You are? [Laughter] We've got you out of order—I know you're Steve. *Stefan, hombre muy bueno.*

Tax Cut Legislation

Q. Sir, now that Republicans have told you there are not enough votes for your tax plan in the Senate, how do you proceed from here? And do you consider cutting the size of it?

President Bush. His question was about our tax plan. I don't agree with that assessment, that there are not enough votes in the Senate. I believe when it's all said and done, we're going to get a tax bill out of the House and the Senate that will be at the level I think it ought to be. I know there is a lot of speculation about Members, but it's early—it's early in the process.

Washington, Mr. President, has got a unique way of asking Presidents to negotiate with themselves. And that's not what is going to happen in this administration. We'll get a tax package because it's the right thing for the American people.

Ours, Mr. President, is getting ready to submit a budget that will set priorities: Education will be a priority; health care for our citizens will be a priority; setting aside Social Security—all the payroll taxes for Social Security will be a priority. We've still got money left over, and I want to pass some of it back to the people who pay the bills, in order to make sure our economy does not drag.

And the President and I talked about economic growth. He knows exactly what I know, that if our economy were to slow significantly, it would affect our abilities to see the benefits of free trade; it would affect the Mexican economy.

And so I want to assure our friends from Mexico that we will put fiscal and monetary—I have nothing to do with monetary policy, of course—but fiscal policy in place that will affect economic growth, because it is beneficial not only for our people but for the Mexican people.

Look, to answer your question directly, we are going to get a good tax cut through, and I think it is going to be the size I'm suggesting.

Situation in Iraq

Q. To President Fox, since you two are working together on several actions that you want to undertake together in a short future and also in the long-term future, do you support the military actions like the ones like the United States is doing, bombing Iraq? Thank you.

President Fox. I do not have a position or a statement on that topic, specifically because this will be done through the Ministry of Foreign Affairs in the future.

It's your turn.

President Bush. Short answer, Mr. President. [Laughter]

Campbell Brown [NBC News].

President's Visit to Mexico

Q. Much has been made of you choosing Mexico as your first foreign trip. But it is also causing consternation among the European allies and Canada that you are going to put a greater emphasis here at the expense of those countries. What do you say to that, please?

President Bush. Well, I appreciate that question. First, I met with Prime Minister Chretien and assured him that a vision of—a foreign policy that understands good policy starts in the neighborhood is a vision that goes both north and south.

I would hope that nations around the world, and leaders, would understand the logic behind saying that good foreign policy, good relations must be firm on our borders.

I can't think of anything more logical and more commonsensical than to understand our hemisphere, which can be and will be bound by freedom and free markets and free trade is in the interests of our people.

We'll have a foreign policy as one that engages the world. I've rejected isolationism, as you know, and protectionism. Ours is going to be an active foreign policy. It's going to be consistent and firm, one that starts, though, by building friendships, in this case, renewing a friendship. And it should send a strong signal to all nations who watch that if you're our friend, we'll be your friend. And Mexico is our friend and will remain our friend.

Situation in Iraq and President's Visit

Q. Thank you very much, Presidents. A question for President Fox: Do you think that it is not an improper gesture in this for a visit that the recent bombing of Iraq is one that is attracting the attention, and would put a shade or a shadow on this meeting here in Guanajuato?

President Fox. I see no reason why we should connect one event with the other one. Here we are in the process of building up and constructing a strategy to foster the economic and human development of a complete region that is formed by three countries that have been associated under a free trade agreement, and the direct relationship between the United States and Mexico that has proven already that has made advancements, very constructively.

The levels of trade that we have had are really fantastic, and they are the envy of many people—many people have never thought that in the year of 2001 with a trade balance of \$250 billion. This has meant development for the United States. It has meant employment in the United States. It has meant development and employment in Mexico, as well.

This is what has allowed us to reduce substantially the level of poverty in Mexico. In the last 4 years, more than 4 million poor people have gone beyond extreme poverty levels. This is what we have invested on, to take these people above this level. And all the time that we have invested, discussing these strategic points, allow us to see that

there is a possibility of going ahead to get more benefits from good relationships and to be true partners toward prosperity and to be true friends and to be true neighbors.

And this purpose is something that has been clearly stated today, and we're very pleased with it. And we are full of confidence that we can see the future with a more optimistic approach as of today's meeting.

Situation in Iraq

Q. Apologies to you, Presidente Fox, for not asking a question about the U.S. and Mexico. But President Bush, if I may, another question about Iraq. As we understand it, this was in response to violations that have happened over several weeks, perhaps several months. What prompted you to take this decision at this time?

President Bush. The commanders on the ground, rightly, make the decision as to how to enforce the no-fly zone. I want to assure those who don't understand U.S. policy that this is a routine mission. Some of the missions require the Commander in Chief to be informed. This was such a mission. It is not the first time it has happened, regrettably so.

We will continue to enforce the no-fly zones. The no-fly zones are enforced on a daily basis. It is a part of a strategy, and until that strategy is changed, if it is changed at all, we will continue to enforce the no-fly zone.

But anyway, the decision is made on the ground, Jim [Jim Angle, Fox News].

Energy Policy

Q. I would like to ask you whether there was a petition from the U.S. Government as far as oil is concerned, or any requests for support on electricity and oil?

President Fox. No, not specifically. We spoke about the California problems, by itself, and, yes, we are speaking about the possibility of creating an energy policy that will be common to all the northern part of the country and into Canada, the United States, and Mexico and part of Central America, to try to create a synergy or a synergism so that each one of the countries would benefit from all these policies, because there is energy that we need to import in Mexico that we do not have enough, and at this moment

we know in some part of the U.S. territory, this is happening, too. And the same could happen to the Central American countries.

Here, what is important is to have a common policy whereby no one takes advantage of the other. But the other way around it, and it's a win-win situation for everyone, that everyone would be benefited from the organization of an energy plan for the benefit of all the continent of, in this case, the northern part of the Americas.

We also spoke about water problems at the border zones. These are common problems that we have, and if we administer and manage these common problems in a timely manner, in a positive and optimistic way, we could mutually be benefited in the water problems that we have at the border. And this is something that obviously we discussed here.

I believe this is the foundation that we laid down for our project today. And we are trying with good will to remove all the obstacles and to take advantage of all the opportunities that we have. And certainly, today we saw more opportunities than obstacles. And therefore, I do ratify that this makes us see the near future with much more optimism than before.

Q. Mr. President, when you met with President Fox in August in Dallas, you talked about the possibility of finding ways to share energy resources. With the current climate in America—energy prices high, supplies low—can you tell me how you pushed that issue today—

President Bush. Yes, I appreciate that.

Q. —and what's in progress—

President Bush. The question was about energy policy. First of all, good energy policy is one that encompasses not only Mexico but Canada. We must think about energy shortages and energy demands in regards to our hemisphere.

Secondly, the President and I did discuss how best to share resources to the benefit of both countries. We talked about the possibility of exploration in Canada and the United States and Mexico. A cubic foot of gas imported into Mexico is one, obviously, less able to burn in the United States. It is a hemispheric issue, and it needs to be elevated to the Presidential level.

We did talk about power, the generation of power; the possibility as to whether or not in Baja, for example, more power could be added to the western grid. It's an obvious opportunity, if possible. Now, there are some bottlenecks, and one of the things we need to do is address those bottlenecks, one of which is the ability to transmit power from south to north.

Now, there is pipeline availability. And we're going to need to—so when we talk about an energy policy at home, it is also in the context of Mexico and Canada. This is an issue where we need to continue the dialog. It's an issue that is going to affect the people of Mexico and the people of the United States if we don't recognize that we need more supply.

We can conserve better. There's no question about it. But demand is far outstripping supply, which is creating a real problem for the working people of our respective countries. And so this subject, rightly so, took quite a bit of time in our meeting and is going to take more time down the road.

We have a great opportunity to come together and have a strategy that honors Mexico and honors its sovereignty and, at the same time, recognizes that people are what matters most. And we've got to make sure our people have got the energy necessary to be able to find jobs and find work.

President Fox. We are finished.

Thank you very much for coming to the press conference. Good luck, and thank you.

President Bush. They just want to get in the picture.

NOTE: The President's first news conference began at 2:37 p.m. at Rancho San Cristobal. President Fox and the Mexican journalists spoke in Spanish, and their remarks were translated by an interpreter. In his remarks, President Bush referred to President Saddam Hussein of Iraq and Prime Minister Jean Chretien of Canada. This item was not received in time for publication in the appropriate issue.

**Joint Statement by President George Bush and President Vicente Fox
Towards a Partnership for
Prosperity: the Guanajuato Proposal
February 16, 2001**

We met today at Rancho San Cristobal, in Guanajuato, in a dialogue of friends and neighbors to agree on important goals and principles that will govern relations between our two countries.

We are united, as never before, by values and interests that cover the entire span of our rich and broad relationship. That relationship is grounded in our respect for democracy and human rights, not just for ourselves but for all people in every nation. We share a fundamental commitment to free trade as an engine of economic growth and development that leaves nobody behind. And, we are committed to ensuring the rule of law, the framework on which our people's freedom and prosperity depends. This common outlook is the basis for a full, mature, and equitable partnership for prosperity.

Among our highest priorities is unfettering the economic potential of every citizen, so each may contribute fully to narrowing the economic gaps between and within our societies. We acknowledge the dynamism achieved through NAFTA, which has ushered in dramatic increases in trade that have transformed our economic relationship. After consultation with our Canadian partners, we will strive to consolidate a North American economic community whose benefits reach the lesser-developed areas of the region and extend to the most vulnerable social groups in our countries. To this end, we support policies that result in sound fiscal accounts, low inflation, and strong financial systems.

Migration is one of the major ties that bind our societies. It is important that our policies reflect our values and needs, and that we achieve progress in dealing with this phenomenon. We believe that Mexico should make the most of the skills and productivity of their workers at home, and we agree there